

BNP Paribas Cardif, A responsible investor 2020



**BNP PARIBAS
CARDIF**

The insurer
for a changing
world



Olivier Hereil
Chief Operating Officer,
Asset Management at BNP Paribas Cardif

“We are convinced that it is our responsibility to steer the transition towards a more sustainable world. **As a committed investor and player in society, we must help reduce imbalances, encourage energy and ecological transitions, support vulnerable populations** and thus support companies and states in their process of adapting to the world of tomorrow.”

2



Climate emergency

As an investor, BNP Paribas Cardif contributes to accelerating the energy transition and protecting ecosystems.

The insurer has defined 3 main commitments for its investment policy:

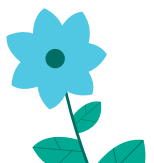
- The use of environmental, social and governance criteria;
- The fight against climate change;
- The selection of positive impact investments.



Five years after the signing of the Paris Agreement in 2015, the global warming of our planet is still increasing. According to estimates by the World Meteorological Organisation (WMO), **human activities are already responsible for a global warming of around 1.1°C** above pre-industrial levels (1850).

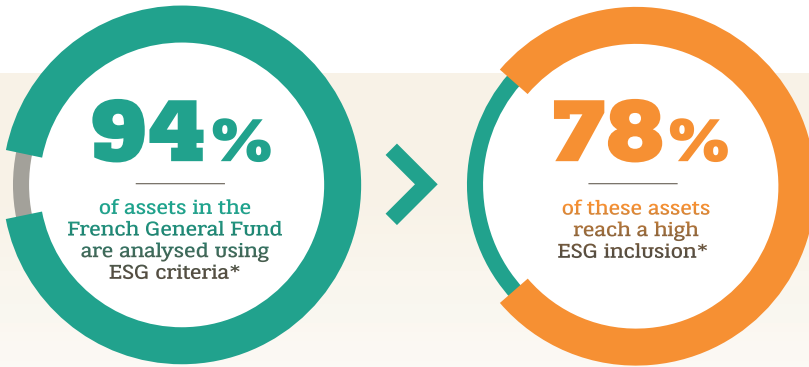


The financial sector is a key player in the transformation of the economy towards a sustainable model. **Insurers play a crucial role in financing the economy** and contribute to a recovery plan that **protects companies and individuals facing an uncertain future.**



APPLYING A SYSTEMATIC ESG APPROACH ON EURO FUNDS

**BNP Paribas Cardif includes ESG criteria
in its investment process.**



* Environmental, social and governance (ESG) criteria

* Most of these assets are held directly (equities and bonds)



BNP Paribas Cardif is a signatory of the Principles for Responsible Investment (PRI). These principles aim to develop a shared structure for mainstreaming ESG issues for investors.

www.unpri.org



BNP Paribas Cardif adhered to the Sustainable Real Estate Observatory (Observatoire de l'Immobilier Durable - OID). The OID brings together French private and public-sector real estate professionals with the aim of promoting sustainable development and innovation in real estate.

o-immobilierdurable.fr





PROMOTING AN ESG APPROACH ON UNIT-LINKED VEHICLES

BNP Paribas Cardif offers responsible unit-linked vehicles
to its policyholders.



Main independent labels:



Label ISR



Greenfin Label



FNG Siegel



LUXFLAG
Label



Towards
Sustainability



Finansol



Label Reliance

COMBATTING CLIMATE CHANGE



BNP Paribas Cardif defines climate as a key element in its investment policy.

Towards a definitive exit from thermal coal

THE OBJECTIVES:



2030
0% thermal coal
for EU and
OECD countries



2040
0% thermal
coal
worldwide

8

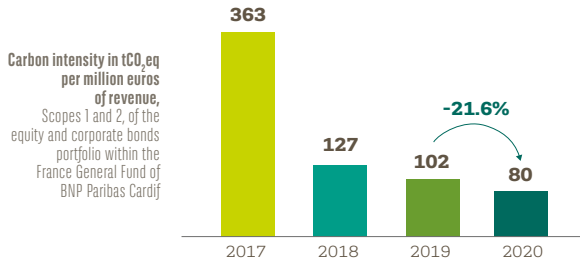
BNP Paribas Cardif **excludes thermal coal activities from its investments** and defined **in 2020 a timetable for a complete exit from coal** with a progressive lowering of the thresholds. The exclusions apply to the entire industry (coal mining, production, transport and storage).

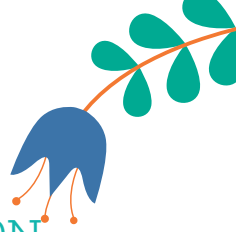
Exclusion of companies which have not initiated their energy transition

Companies that emit more than **1 million tons of CO₂ equivalent** and which have a **weak energy transition strategy**, are excluded from the investment universe.

Carbon intensity of the portfolio

Carbon intensity is an indicator that estimates greenhouse gas emissions, in CO₂ equivalent, for the investment portfolio. The portfolio's carbon intensity has been **mainly reduced with the divestment of the most carbon-intensive companies.**





ENCOURAGING THE TRANSITION TOWARDS **A LOW-CARBON WORLD**

BNP Paribas Cardif is committed to contributing to the 2050 global carbon neutrality objective.

Committing to the transition

In 2021, BNP Paribas Cardif joined the NZAOA (UN-convened Net-Zero Asset Owner Alliance) and thus committed to defining a climate trajectory for its investments, alongside other institutional investors.



BNP Paribas Cardif took part in the French financial marketplace initiative “Objectif Climat”.

Developing innovative methodologies to align portfolios with the Paris Agreement objectives



The 2015 Paris Agreement

Limit global warming to a level below 2°C

TODAY

Selection of 3 funds among about thirty (2 European equity funds and 1 bond fund)

THE OBJECTIVE

Proposing **innovative asset management** to help factor in the fight against climate change

THE QUESTION

How to align the investors' portfolios with the Paris Agreement?

THE IDEA

Several institutional investors organise **a request for proposal** for 3 “Objectif Climat” funds (2019)

FOSTERING POSITIVE IMPACT INVESTMENTS

BNP Paribas Cardif selects investments that address environmental, social and societal issues.

Positive impact investments

5
billion euros additional
between 2019 et 2024

1.2
billion euros invested
in 2020

Positive impact investments are made with the **intention of generating a measurable environmental (renewable energies, protection of the biodiversity...) and/or social, societal (job creation, inequalities reduction ...) impact.**



Zoom on the Sustainable Development Goals (SDGs)

The development program elaborated in 2015 by the UN Member States focuses on **17 Sustainable Development Goals or SDGs**. They aim to build a sustainable future by meeting the main global challenges by 2030.

POSITIVE IMPACT INVESTMENT EXAMPLES



INVESTING IN THE ENERGY TRANSITION



Green bonds funds: BNP Paribas Green Bond Fund

This fund invests in green bonds and finances **renewable energy** (European Investment Bank), **energy efficiency and transport decarbonization** (*Société du Grand Paris*) **projects**.

ENABLING A SUSTAINABLE RECOVERY

“Nov Impact Actions non cotées” Fund

Within the framework of the investment program “Assureurs – Caisse des Dépôts Relance Durable France”. **This fund allocates financing to local French companies** (micro-enterprises, SMEs and ETIs*).



11



PROTECTING ECOSYSTEMS

Althélia Sustainable Ocean Fund, Mirova

This fund finances innovative projects in **marine and costal areas** (increase in fish stocks, prevention of marine litter and plastic pollution, protection of marine biodiversity).



DEVELOPING SOCIAL HOUSING

Real estate funds

BNP Paribas Cardif supports actors that contribute to preserving skills and jobs, and invests in:

- **Affordable housing** (Intermediate Housing Fund).
- **Financially helping retired people** (fund dedicated to life leases), enabling retirees who own their primary residence to improve their current income.



*SME: Small and Medium-sized Enterprises / ETI: Intermediate-sized enterprise



**BNP Paribas Cardif,
A responsible investor**



**BNP PARIBAS
CARDIF**

**The insurer
for a changing
world**